IN THE CLAIMS:

This listing of claims replaces all prior versions and listings of claims in the application:

1.   (Currently Amended) A computer implemented method of initiating a transfer of funds from a first online account to a second online account in a computer network, comprising:

receiving a request from a first user to establish a first online account;

establishing the first online account;

receiving account access information for a bank account from the first user, wherein once the bank account is verified, the first user is able to transfer funds between the first online account and the bank account;

verifying with the account access information whether the first user has access to the bank account;

establishing one or more sub-accounts linked to the first online account, wherein for transactions involving each sub-account, actual funds are transferred between the bank account and at least one of said sub-accounts the first online account;

receiving a transfer request from a second user, the transfer request including an amount of funds for transfer from at least one of said sub-accounts linked to the first online account and identification information for a recipient of the funds, the identification information including an electronic message address for the recipient, wherein the transfer request may originate from one of the first user or the recipient;

automatically sending a verification electronic message to the first user if the transfer request did not originate from the first user, wherein the first user can verify the transfer of funds;

automatically sending an electronic message to the recipient using the electronic message address, the electronic message indicating to the recipient that funds are ready for transfer from the first online account the recipient;

receiving a response from the recipient, wherein the response includes a request to establish a second online account for the recipient;

establishing a second online account associated with the recipient, wherein the second online account is associated with a second bank account of the recipient; and

transferring said amount of funds from the bank account associated with the first online account to athe second bank account associated with the second online account.

2.   (Previously Presented) The computer implemented method of claim 1, wherein the response from the recipient includes an indication from the recipient accepting or rejecting the transfer of funds; and wherein:

transferring said amount of funds only occurs if the response indicates acceptance.

3.   (Previously Presented) The computer implemented method of claim 1, wherein the bank account associated with the first online account is one of a checking account or a savings account and the bank account associated with the second online account is one of a checking account or a savings account.

4.   (Previously Presented) The computer implemented method of claim 1, wherein the verifying comprises the steps of:

causing a deposit to be made to the bank account using the account access information;

notifying the first user that a deposit has been made to the bank account;

requesting from the first user identification of the amount of the deposit;

receiving a response from the first user identifying the amount of the deposit; and

verifying whether the amount identified in the response matches the amount deposited in the bank account, whereby the bank account is verified if a match occurs.

5.   (Original) The computer implemented method of claim 4, wherein the deposit has a value of between 0.01 dollars and 1.00 dollar, inclusive.

6.   (Original) The computer implemented method of claim 2, wherein the account access information and the response are received from the user over the Internet.

7.   (Previously Presented) The computer implemented method of claim 1, further including the step of transferring funds from the banking account to the first online account associated with the first user in response to a request to transfer funds if the bank account is verified.

8.   (Previously Presented) The computer implemented method of claim 1, further including the step of transferring funds from the first online account associated with the first user to the bank account in response to transfer funds of the bank account if verified.

9.   (Previously Presented) The computer implemented method of claim 1, wherein the verifying comprises:

causing two or more deposits to the banking account using the account access information;

notifying the user that the two or more deposits have been made to the banking account;

requesting from the user identification of the amounts of each of the two or more deposits;

receiving a response form the user identifying the amounts of each of the two or more deposits; and

verifying whether the amounts identified in the response match the amounts deposited in the banking account, whereby the account is verified if a match occurs.

10.   (Previously Presented) The computer implemented method of claim 9, wherein each of the two or more deposits has a value of between 0.01 dollars and 1.00, inclusive.

11.   (Original) The computer implemented method of claim 1, wherein the account access information is received from the first user over the Internet.

12.   (Original) The computer implemented method of claim 1, wherein the account access information includes an account number.

13.   (Previously Presented) The method of claim 1, wherein establishing includes:

receiving account access information for a second bank account from the recipient, wherein once the second bank account is verified, the recipient is able to transfer funds between the second online account and the second bank account; and

verifying with the account access information received from the recipient whether the recipient has access to the second bank account.

14.   (Previously Presented) The method of claim 13, wherein verifying whether the recipient has access to the second bank account comprises:

causing one or more deposits to be made to the second bank account using the account access information received from the recipient;

notifying the recipient that the one or more deposits have been made to the second bank account;

requesting from the recipient identification of the amount of the one or more deposits;

receiving a response from the recipient identifying the amounts of the one or more deposits; and

verifying whether the amount identified in the recipient's response matches amounts in the one or more deposits in the second bank account, whereby the second bank account is verified if a match occurs.

15.   (Previously Presented) The method of claim 1, wherein the first user determines an amount of funds available for each sub-account.

16.   (Currently Amended) A computer implemented method of initiating a transfer of funds from one online account to another in a computer network, comprising:

receiving from a first user a request to establish a first online account;

establishing the first online account;

receiving account access information for a bank account from the first user;

verifying with the account information whether the first user has access to the bank account, wherein once the bank account is verified, the first user is able to transfer funds between the first online account and the bank account;

establishing one or more sub-accounts linked to the first online account, wherein the first user determines an amount of funds available ~~of~~ for each sub-account, ~~and~~ wherein for transactions involving each sub-account, actual funds are transferred between the bank account and the first online account;

receiving a transfer request from a second user, the transfer request including an amount of funds for transfer from one of said sub-accounts linked to the first online account and

identification information for a recipient of the funds, the identification information including an electronic message address to the recipient;

automatically sending a verification electronic message to the first user to verify the transfer request and receive a confirmation for transfer of funds;

~~automatically sending an electronic message to the recipient using the electronic message address, the electronic message indicating that funds are ready for transfer to the recipient;~~

receiving a response from the first user~~recipient~~, and

transferring said amount of funds from the bank account associated with the first online account to a bank account associated with the recipient if the response includes an indication from the ~~recipient~~ first user accepting the transfer of funds.

17.   (Previously Presented) The method of claim 16, wherein the response from the recipient includes a request to establish an online account for the recipient, and wherein the method further includes establishing a second online account associated with the recipient.